REMARKS

Claim status

Claims 16-35 were pending in the case at the time of the current Office Action. No claims are amended herein. Claims 16-35 are currently pending in the application.

Section 102 rejections

In the current Office action, claims 16-35 are rejected under 35 U.S.C. 102(e) as being anticipated by Rebane. (U.S. 6,078,904).

Applicant respectfully traverses the foregoing rejections in view of the above pending claims and for reasons set forth hereafter.

Independent claim 16 recites a method for receiving, processing and communicating a collection of price data for analysis and making of a trading decision by an investor, said method comprising the steps of:

receiving a collection of price data from a data source;

processing said collection of price data to generate volatility-adjusted relative price data; and

generating a plurality of price charts derived from said processing step, wherein at least one of said plurality of price charts includes a volatility-adjusted relative price chart representing a plurality of volatility-adjusted relative price data plotted within dynamic volatility intervals.

It is respectfully submitted that Rebane (U.S. 6,078,904), hereinafter Rebane, does not anticipate or make obvious the invention of independent claim 16 in any way. In particular, Rebane does not teach or suggest generating volatility-adjusted relative price data or generating a volatility-adjusted relative price chart by plotting volatility-adjusted relative price data within dynamic volatility intervals. In fact, Rebane is silent with respect to any mention of volatility-adjusted relative price data or dynamic volatility intervals, by these names or by any other names. Nothing within Rebane relates to these aspects. The Examiner's reference to Column

17, lines 10-46 and Figs. 6-12 regarding dynamic volatility intervals is erroneous. In Rebane as referenced, there is described a matrix of risk adjusted returns relating to securities. Rebane attempts to identify an individual's risk tolerances to determine asset allocation, which has no bearing upon dynamic volatility intervals as defined in the present invention.

The present invention is directed to identifying relative overbought and oversold price levels and to determining the valuation of an individual market relative to volatility-adjusted historical price dispersion around a mean (i.e., volatility-adjusted relative price data) in order to help investors with timing a purchase or sale of a stock, for example, by quantifying the valuation of the current price compared to recent and historical price transactions. That is, the present invention as claimed is concerned with determining if a market is currently priced fairly, priced too high (over valued), or priced too low (under valued), for example, by quantifying the valuation of a market by classifying prices as being at fair value, overbought, oversold, significantly overbought, or significantly oversold. For example, as described in the specification of the present application on page 9, with reference to value charts, instead of plotting price with respect to zero, the price is plotted with respect to a floating axis, such as in relation to a median moving average over a period of time in a given market, thus providing the relative nature of the price data [emphasis added].

Rebane, instead, is concerned with optimally allocating assets within an investment portfolio by determining the risk preferences of an investor and identifying an individual's risk tolerances in order to determine an appropriate asset allocation. The present invention is not concerned with asset allocation or quantifying risk. In fact, the present invention is not concerned at all with market selection, asset allocation, or risk, or with considering the risk preferences of any investor, which is the primary concern of Rebane. Instead, the present application is concerned with quantifying the valuation of a market in order to help better time a purchase or sale, or draw attention to an opportunity to by an undervalued asset or sell an overpriced asset.

Rebane describes using price information to help quantify risk for each investment, whereas the present application claims the use of volatility-adjusted relative price data to quantify valuation. Rebane does not consider volatility-adjusted relative price plotted within dynamic volatility intervals, where volatility adjusted price data refers to deviations of price

above or below a floating axis per unit of time, and in terms of a dynamic volatility interval as in the present invention, such as set forth in claim 18. Rebane does not consider volatility-adjusted price data plotted with respect to a floating axis. In fact, the data derived in Rebane cannot be used to determine if a market is priced fairly or not because Rebane has nothing to do with the valuation of a market, as does the present invention.

In column 17, lines 10-46, which the Examiner relies heavily upon in the outstanding Office action, Rebane describes calculating a modified correlation matrix of risk adjusted returns for a portfolio of candidate securities. Rebane further describes an asset allocation program for determining portfolio membership based on the correlation matrix. The description in column 17, lines 10-46 and the Figures 6-12 of Rebane have nothing to do with the claimed subject matter of independent claim 16, which claims generating volatility-adjusted relative price data and generating a volatility-adjusted relative price chart representing a plurality of volatility-adjusted relative price data plotted within dynamic volatility intervals.

Therefore, in view of at least the foregoing, it is respectfully submitted that independent claim16 is not anticipated by Rebane, and it is respectfully submitted that independent claim 16 defines allowable subject matter. Also, since claims 17-35 depend either directly or indirectly from claim 16, it is respectfully submitted that claims 17-35 define allowable subject matter as well. Applicants respectfully request that the rejection of claims 16-35 under 35 U.S.C. 102(e) be removed.

Accordingly, the Applicants respectfully requests reconsideration of the rejections based on at least the foregoing. After such reconsideration, it is urged that allowance of all pending claims will be in order.

Respectfully submitted,

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